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MEMORANDUM FOR: Director of Personnel

SUBJECT: Office of Logistics' Recommendations on Request of GP Employees of Administration Building Printing Plant for Program of Automatic Wage Progression

1. On 31 May 1961 you requested the Office of Logistics' recommendations on the petition of the GP employees of the Logistics Administration Building printing plant for a program of automatic wage progression. The employee's petition was forwarded to you on 16 January 1961 without recommendation by the Office of Logistics.

2. Prior to formulating and submitting recommendations on the employee's request it was considered advisable to obtain the opinion of the Public Printer. The Public Printer's opinion on the question of wage rates for GP employees is considered highly important because the Agency pays its GP employees wage rates established by the Government Printing Office for these employees. These rates are established after lengthy negotiations between the Public Printer and representatives of the trades involved. It is therefore considered essential that this close tie with the Government Printing Office be maintained or the Agency would have to adopt other means of fixing wages for its GP employees. Accordingly, the matter was discussed with Public Printer James L. Harrison on 14 June and was discussed further with his Administrative Assistant and Director of Personnel on 20 June.

3. The Public Printer and his assistants, while emphasizing that they have no right to object to the Agency establishing pay rates for GP employees different than their own, advised against granting incentive or longevity pay to these employees for the following reasons:

a. The annual pay increases which the GP employees receive as a result of negotiations with the Public Printer have kept their pay abreast of, and in some cases, ahead of other groups of employees.

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b. Any deviation from the pay set for GP employees by the Public Printer would, of course, put the Agency in the position of paying different rates than the Government Printing Office. This would be contrary to the Agency's desire to continue paying the same wages as the Government Printing Office and could create difficulty for the Public Printer in future negotiations.

c. The unions vigorously opposed incentive pay for increased production in the Government Printing Office some years ago and were successful in having all systems of incentive pay eliminated from that Office. It is, therefore, possible that any system which the Agency would adopt would be objected to by the unions if it were based upon incentive pay tied to production, quality of work, or work performance.

d. The Public Printer has recently rejected requests of the various trades in the Government Printing Office for a system of longevity pay increases. The objection was based upon the known fact that longevity in itself does not justify increased compensation. The Public Printer has taken a position that many new, young employees are just as efficient and as productive as employees who have served for long periods of time. Therefore, he has refused to pay increased wages for longevity alone because it is unfair to the younger employees not eligible for it.

e. Security restrictions and working under conditions required for the production of classified work are no basis for increased compensation. The Government Printing Office has large numbers of employees fully cleared for highly classified work and there are large amounts of this work produced in the Office. They make the point that they pay their GP employees no more for working under these conditions and see no reason why the Agency should find it necessary to do so.

4. The Office of Logistics is anxious that all of its employees receive fair treatment with respect to pay and working conditions and a continuing effort is made to assure that this is accomplished to the extent possible. The Office of Logistics is particularly aware of the important contributions made to the Agency's mission by its GP employees and would welcome the adoption of a system of

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automatic wage progression for those employees. The Office of Logistics believes, however, that it is essential that the existing arrangements with the Government Printing Office with respect to establishment of GP wage rates be maintained and that the Agency should continue paying its GP employees the same wages as the Government Printing Office. Because of this, it is recommended that there be no system of incentive wage progression provided for the Agency's GP employees.

**JAMES A. GARRISON
Director of Logistics**

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